

CENTRAL INTELLIGENCE AGENCY
Office of Chief, Economic Research, CBR
Project Action Memorandum

Project No. 40,283

DATE: 28 January 1956

TITLE: Comparison of Annual Rates of Growth of Freight Traffic and Selected Production Indicators in Communist China, 1935-1952 (1P)

REQUESTED: EIC Subcommittee on Transportation

STATEMENT OF PROJECT:

To provide an independent check on Communist Chinese announced railroad freight traffic for 1951 and 1952. An answer to this problem is needed in connection with review by the EIC of the Joint Intelligence Committee paper on the capabilities of China transportation facilities, JIC 635/1. Although the Communist announced railroad freight traffic data appear within the appropriate magnitude to State and CIA members of the working group that is engaged in review of the JIC paper, Service members currently contend that the announced traffic figures are propaganda.

Points of Reference:

The project should be in two parts:

- The first part should be an analysis of the relation of transportation to the economy, based on the correlation of freight traffic with an index of over-all economic activity such as national income or gross national product for the years 1935-1952.
- The second part should be an analysis of the relation of transportation based on the correlation of the transport of selected items, with production data of selected items measured in tons for the years 1935-1952.

This paper should be classified no higher than SECRET.

RESPONSIBILITY:

Action Division

Participating Division

D/S (S/ER)

D/A

HIGHEST MONITOR:

Ext. 2803

25X1A

SECRET

DATE DATES: Participating Division to Action Division - 25 January 1954
Action Division to St/FR (Original and 3) - 1 February 1954
St/FR to Requester - 2 February 1954

MAN HOURS REQUIRED: D/S 60

D/A 50

This project will not delay completion of currently scheduled projects.

25X1A St/FR

D/S

25X1A

D/A

Approved:

Ch/E 25X1A